

DRAFT & Proposed

**Article 3**  
**Federal Operating Permit**

This permit is based upon Federal Clean Air Act acid rain permitting requirements of Title IV, federal operating permit requirements of Title V; and Chapter 80, Article 3 and Chapter 140 of the Commonwealth of Virginia Regulations for the Control and Abatement of Air Pollution. Until such time as this permit is reopened and revised, modified, revoked, terminated or expires, the permittee is authorized to operate in accordance with the terms and conditions contained herein. This permit is issued under the authority of Title 10.1, Chapter 13, §10.1-1322 of the Air Pollution Control Law of Virginia. This permit is issued consistent with the Administrative Process Act, 9 VAC 5-80-360 through 9 VAC 5-80-700 and 9 VAC 5-140-10 through 9 VAC 5-140-900 of the State Air Pollution Control Board Regulations for the Control and Abatement of Air Pollution of the Commonwealth of Virginia.

Authorization to operate a Stationary Source of Air Pollution as described in this permit is hereby granted to:

Permittee Name:	Commonwealth Chesapeake Company, LLC
Facility Operator:	TECO Power Services Virginia Operations Company
Facility Name:	Commonwealth Chesapeake Power Station
Facility Location:	3415 White Oak Way New Church, VA 23415-2948
Registration Number:	40898
Permit Number:	TRO-40898

This permit includes the following enforcement programs:

**Federally Enforceable Requirements - Clean Air Act (Sections I through VI)**

**Federally Enforceable Requirements - Title IV Acid Rain (Section VII)**

**Federally Enforceable Requirements - NOx Budget Trading Requirements (Section VIII)**

**State Only Enforceable Requirements (Section IX)**

January 1, 2005  
Effective Date

December 31, 2009  
Expiration Date

Signature Date

\_\_\_\_\_  
(for)  
Robert G. Burnley  
Director, Department of Environmental Quality

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## **I. Facility Information**

### **Permittee**

Commonwealth Chesapeake Company, LLC  
3415 White Oak Way  
New Church, VA 23415-2948

### **Responsible Official**

Thomas A. Larson  
General Manager, Commonwealth Chesapeake Company, LLC  
US EPA AAR ID No.: 2110

### **Facility Operator**

TECO Power Services Virginia Operations Company

### **Facility**

Commonwealth Chesapeake Power Station  
3415 White Oak Way  
New Church, VA 23415-2948

### **Contact Person**

Thomas A. Larson  
General Manager, Commonwealth Chesapeake Power Station  
Phone Number: (757) 824-3340

**AFS Identification Number:** 51-001-00030

**ORIS Code ID:** 055381

**NATS Facility Identification Number:** 055381

**Facility Description:** SIC Code 4911.

Commonwealth Chesapeake Power Station functions as a peaker plant with seven GE LM6000 simple cycle combustion turbines fired only on distillate oil to generate electricity.

## II. Emission Units

Equipment to be operated consists of:

Emission Unit ID	Stack ID	Emission Unit Description	Size/Rated Capacity *	Pollution Control Device (PCD) Description	PCD ID	Pollutant Controlled	Ap
<b>Combustion Turbines</b>							
CT-1 thru 7	CT 1-7	GE LM6000. CT 1 thru 3. Installed 2000. CT 4 thru 7. Installed 2001.	Each 43.3 megawatts at ISO conditions	GE water injection on each CT, 2000 and 2001.	WI 1-7	NOx	NSI 10/( Aci of 1
<b>Distillate Oil Storage Tanks</b>							
T-1, 2, & 3	T 1-3	Above ground fixed roof tanks. 2000 & 2001	Each at 2.2 million gal	N/a	N/a	N/a	NSI 10/(
T-4 & 5	T 4 & 5	Above ground fixed roof tanks. 2001	Each at 200 K gal	N/a	N/a	N/a	NSI 10/(

\*The Size/Rated capacity is provided for informational purposes only, and is not an applicable requirement.

### **III. NSR PERMIT OF OCTOBER 5, 2000**

#### **A. Limitations**

1. The permittee shall meet all the applicable requirements of 40 CFR 60, Subpart GG Standards of Performance for Stationary Gas Turbines.  
(9 VAC 5-80-490 B & C and Condition 3 of NSR permit issued 10/05/2000)
2. Particulate matter emissions from each combustion turbine shall be controlled by the use of distillate oil, a clean burning fuel. A change in the fuel may require a permit to modify and operate.  
(9 VAC 5-80-490 B & C and Condition 4 of NSR permit issued 10/05/2000)
3. Sulfur dioxide and sulfuric acid mist emissions from each combustion turbine shall be controlled by the use of distillate oil with sulfur not to exceed 0.05% by weight.  
(9 VAC 5-80-490 B & C and Condition 5 of NSR permit issued 10/05/2000)
4. Nitrogen oxide emissions from each combustion turbine shall be controlled by water injection except during startup and shutdown when the use of water injection would interfere with turbine operations. The rate of water injection shall be at least that established during emissions tests as being sufficient to meet the emissions standards set forth in this permit.  
(9 VAC 5-80-490 B & C and Condition 6 of NSR permit issued 10/05/2000)
5. Carbon monoxide and volatile organic compound emissions from each combustion turbine shall be controlled by the use of good combustion operating practices.  
(9 VAC 5-80-490 B & C and Condition 7 of NSR permit issued 10/05/2000)
6. Combustion turbines CT-1, 2, 3, 4, 5, 6, and 7 (combined) shall not use more than 42.0 million gallons of distillate oil each year, calculated as the sum of each consecutive 12 month period.  
(9 VAC 5-80-490 B & C and Condition 9 of NSR permit issued 10/05/2000)

7. Combustion turbines 1-3 (combined) shall not operate more than 6,000 hours per year, and combustion turbines 4-7 (combined) shall not operate more than 8,000 hours per year, which means that the seven turbines can be operated simultaneously for up to 2000 hours per year. The number of operating hours for each combustion turbine shall be calculated as the sum of each consecutive 12-month period.  
(9 VAC 5-80-490 B & C Condition 10 of NSR permit issued 10/05/2000)
8. Except during startup and shutdown, each combustion turbine shall not operate at less than 70% of capacity.  
(9 VAC 5-80-490 B & C and Condition 11 of NSR permit issued 10/05/2000)
9. The permittee is authorized to store distillate oil in storage tanks with Unit Reference Nos. T-1 through T-5. A change in the materials stored may require a permit to modify and operate.  
(9 VAC 5-80-490 B & C and Condition 12 of NSR permit issued 10/05/2000)



10. Emissions from the operation of the combustion turbines CT 1, 2, and 3 shall not exceed the limits as specified below:

	(each at 100% of capacity)	(combined total)
	lb/hr	tons/yr
Particulate Matter	10.3	30.9
PM-10	10.3	30.9
Sulfur Dioxide	23.9	65.1
Nitrogen Oxides (as NO <sub>2</sub> )	(42 ppmvd* for FBN ≤ 0.015%) 85.1	243.6**
Nitrogen Oxides (as NO <sub>2</sub> )	(42 + 400 FBN) ppmvd* for 0.015% < FBN ≤ 0.05% 125.6	243.6**
Carbon Monoxide	30.0	90.0
Volatile Organic Compounds	5.6	16.8
Sulfuric Acid Mist	2.7	7.4

(Yearly is calculated as the sum of each consecutive 12-month period.)

\* (one hour average at 15% oxygen, adjusted to ISO standard ambient conditions)

\*\* (includes all operating hours per year--normal operations with the water injection system and startup, shutdown, or any malfunctions when the water injection system is not used)

FBN - Fuel Bound Nitrogen, percent by weight.

(9 VAC 5-80-490 B & C and Condition 20 of NSR permit issued 10/05/2000)

11. Emissions from the operation of the combustion turbines CT 4, 5, 6, and 7 shall not exceed the limits as specified below:

	(each at 100% of capacity)	(combined total)
	lb/hr	tons/yr
Particulate Matter	10.3	41.2
PM-10	10.3	41.2
Sulfur Dioxide	23.9	86.8
Nitrogen Oxides (as NO <sub>2</sub> )	(42 ppmvd* for FBN ≤ 0.015%) 85.1	322.4**
Nitrogen Oxides (as NO <sub>2</sub> )	(42 + 400 FBN) ppmvd* for 0.015% < FBN ≤ 0.05% 125.6	476.0**
Carbon Monoxide	30.0	120.0
Volatile Organic Compounds	5.6	22.4
Sulfuric Acid Mist	2.7	9.9

(Yearly is calculated as the sum of each consecutive 12-month period.)

\* (one hour average at 15% oxygen, adjusted to ISO standard ambient conditions)

\*\* (includes all operating hours per year--normal operations with the water injection system and startup, shutdown, or any malfunctions when the water injection system is not used)

FBN - Fuel Bound Nitrogen, percent by weight.

(9 VAC 5-80-490 B & C and Condition 21 of NSR permit issued 10/05/2000)

12. Emissions from the operation of the fuel oil storage tanks T 1-5 (combined) shall not exceed the limits as specified below:

Volatile Organic  
Compounds 1.8 tons/yr

These emissions are derived from the estimated overall emission contribution from operating limits and emission factors supplied by the permittee. Exceedances of the operating limits shall be considered credible evidence of the exceedance of emission limits. Compliance with these emission limits may be determined as stated in Condition numbers II and III.A.6.

(9 VAC 5-80-490 B & C and Condition 22 of NSR permit issued 10/05/2000)

13. Visible emissions from each combustion turbine exhaust stack shall not exceed ten (10) percent opacity as determined by EPA Method 9 (Reference 40 CFR 60, Appendix A). This condition applies at all times except during start-up, shut-down or malfunction.

(9 VAC 5-80-490 B & C and Condition 23 of NSR permit issued 10/05/2000)

14. In order to minimize the duration and frequency of excess emissions due to malfunctions of process equipment or air pollution control equipment, the permittee shall:

- a. Develop a maintenance schedule and maintain records of all scheduled and non-scheduled maintenance;
- b. Maintain an inventory of spare parts that are needed to minimize durations of air pollution control equipment breakdowns.

(9 VAC 5-80-490 B & C and Condition 29 of NSR permit issued 10/05/2000)

15. Operators shall be trained in the proper operation of all related air pollution control equipment and shall be familiar with the written operating procedures. These procedures shall be based on the manufacturer's recommendations, at a minimum.

(9 VAC 5-80-490 B & C and Condition 30 of NSR permit issued 10/05/2000)

16. The sulfur content and fuel-bound nitrogen content of the distillate oil to be burned in the combustion turbines shall not each exceed 0.05 percent by weight per shipment.

(9 VAC 5-80-490 B & C and Condition 13 of NSR permit issued 10/05/2000)

## **B. Monitoring**

1. Scenario #1 for sulfur and nitrogen content of fuel oil: The permittee shall obtain a fuel certification from the fuel supplier with each shipment of distillate oil delivered to each turbine fuel storage tank. Each fuel supplier certification shall include the following:

- a. The name of the fuel supplier;

- b. The date on which the distillate oil was received;
  - c. The volume of distillate oil delivered in the shipment;
  - d. A statement that the distillate oil complies with the American Society for Testing and Materials specifications for numbers 1 or 2 fuel oil;
  - e. The sulfur content of the distillate oil and indicate which ASTM method was used to determine the sulfur content: ASTM D 2880-71, 78, or 96, ASTM D-1552, ASTM D-129, or other approved method,
  - f. The nitrogen content of the distillate oil and indicate which ASTM method was used to determine the nitrogen content: ASTM D-3228, ASTM D-5291, or other approved method.  
(9 VAC 5-80-490 E and Condition 13 of NSR permit issued 10/05/2000)
2. Scenario #2 for sulfur and nitrogen content of fuel oil: If the permittee does not obtain a fuel certification from the fuel supplier with each shipment of distillate oil delivered to the turbine fuel storage tank(s) under Scenario #1, the permittee shall sample and analyze the fuel from the tank(s) after each filling process has been completed to determine:
- a. The distillate oil complies with the American Society for Testing and Materials specifications for numbers 1 or 2 fuel oil;
  - b. The sulfur content of the distillate oil by using ASTM D 2880-71, 78, or 96, ASTM D-1552, ASTM D-129, or other approved method,
  - c. The nitrogen content of the distillate oil by using ASTM D-3228, ASTM D-5291, or other approved method.  
(9 VAC 5-80-490 E and Condition 13 of NSR permit issued 10/05/2000)
3. The continuous monitoring systems shall be installed and operated to monitor and record the fuel consumption and ratio of water injected to fuel being fired in each combustion turbine. These monitoring systems shall be operated at all times that water is being injected into the combustion turbines and shall be accurate to within  $\pm 5.0$  percent. The systems shall be maintained and calibrated in accordance with manufacturer's specifications. As a minimum, calibration shall be done prior to the initial performance test and at least annually thereafter.  
(9 VAC 5-80-490 E and Condition 17 of NSR permit issued 10/05/2000)

4. The permittee shall perform monthly visual observations on each turbine stack exhaust during daylight hours of normal operations for visible emissions. If visible emissions are noted from the stack, a visible emissions evaluation (VEE) shall be immediately conducted on the stack for at least six minutes in accordance with Method 9 (40 CFR 60, Appendix A). If the VEE opacity average exceeds five (5) percent, the VEE shall continue for one hour from initiation on the turbine stack to determine compliance with the opacity limit. The permittee shall record the details of the visual observations, VEE, and any maintenance actions to reduce opacity.  
(9 VAC 5-80-490 E)

### **C. Recordkeeping**

The permittee shall maintain records of all emission data and operating parameters necessary to demonstrate compliance with this permit. The content of and format of such records shall be arranged with the Director, Tidewater Regional Office. These records shall include, but are not limited to:

1. The total operating hours per year for each combustion turbine with combined operating hours for CT 1-3 and CT 4-7, calculated as the sum of each consecutive 12-month period;
2. All the fuel oil analysis reports for sulfur and nitrogen content in accordance with Condition III.B.1 and/or 2;
3. Oil shipments purchased, indicating the name of the supplier, date of purchase, type and volume of fuel per each shipment;
4. Annual amount of distillate oil consumed by all turbines, calculated as the sum of each consecutive 12-month period;
5. Monthly and annual NO<sub>x</sub> and SO<sub>2</sub> emission calculations. Monthly and annual emissions calculations for all other pollutants listed in Conditions III.A.10, 11, and 12, based on the usage of DEQ approved emission factors;
6. Listing of DEQ approved emission factors for pollutants listed in Condition III.A.10, 11, and 12;

7. Records of products stored in tanks T 1-5 and dimensions and storage capacity of each tank;
8. Semi-annual excess emissions reports;
9. The records of the required training including a statement of time, place and nature of the training provided;
10. The written operating procedures for related air pollution control equipment;
11. Records of scheduled and unscheduled maintenance on turbines and air pollution control equipment;
12. Turbine stack visual observations and VEEs;
13. All records required by this condition shall be kept at the facility and made available for inspection by the DEQ and shall be current for the most recent five years.  
(9 VAC 5-80-490 C & F, Conditions 13, 25, 29, and 30 of NSR permit issued 10/05/2000)

#### **D. Testing**

1. After the initial performance tests, performance tests shall be conducted on one combustion turbine each calendar year. A different turbine shall be selected each year such that each turbine selected shall be tested about every seven years for nitrogen oxides while operating at 70% and 100% of capacity by using Method 20 (40 CFR Part 60, Appendix A) to determine compliance with NO<sub>x</sub> limits specified in Conditions III.A. 10 or 11. The tests shall be performed anytime during each calendar year following the initial performance test year. Tests shall be conducted and reported and data reduced as set forth in 9 VAC 5-50-30, and the test methods and procedures contained in each applicable section or subpart listed in 9 VAC 5-50-410. The details of the tests are to be arranged with the Director, Tidewater Regional Office.  
(9 VAC 5-80-490 E & F and Condition 15 of NSR permit issued 10/05/2000)
2. Concurrently with the annual performance tests for the selected turbine being tested, a Visible Emission Evaluation (VEE) in accordance with 40 CFR, Part 60, Appendix A, Method 9, shall also be conducted on the combustion turbine stack while operating at 70% and 100% of capacity. The test shall consist of 10 sets of 24 consecutive observations (at 15 second intervals) to yield 6-minute averages.  
(9 VAC 5-80-490 E & F and Condition 16 of NSR permit issued 10/05/2000)

3. If additional testing to demonstrate compliance is conducted in addition to the monitoring specified in this permit, the permittee shall use the following methods or other approved methods in accordance with procedures approved by the DEQ as follows:

Pollutant	Test Method
VOC	EPA Methods 18, 25, or 25A and 19
NO <sub>x</sub>	EPA Method 20
SO <sub>2</sub>	EPA Methods 6, or 6C and 19
CO	EPA Method 10 and 19
PM/PM-10	EPA Methods 5/201
Visible Emission	EPA Method 9

(9 VAC 5-80-490 E & F)

#### **E. Reporting**

1. The permittee shall submit a protocol for the annual combustion turbine test, required by Condition III.D.1, at least 30 days prior to testing. One copy of the test results shall be submitted to the Director, Tidewater Regional Office within 45 days after test completion and shall conform to the test report format enclosed with this permit.  
(9 VAC 5-80-490 F and Condition 15 of NSR permit issued 10/05/2000)
2. A copy of the visible emissions test results, required by Condition III.D.2, shall be submitted to the Director, Tidewater Regional Office within 45 days after test completion and shall conform to the test report format enclosed with this permit.  
(9 VAC 5-80-490 F and Condition 16 of NSR permit issued 10/05/2000)
3. Should conditions prevent accomplishing concurrent opacity observations with the annual performance test of the turbine, the Director, Tidewater Regional Office shall be notified in writing, within 7 days, and visible emissions testing to be rescheduled within 30 days. Rescheduled testing shall be conducted under the same conditions (as possible) as the initial performance tests and annual tests.  
(9 VAC 5-80-490 F and Condition 16 of NSR permit issued 10/05/2000)
4. Semi-annual reports of excess emissions shall be submitted to the Director, Tidewater Regional Office in accordance with 40 CFR Part 60, Section 7(c). The time periods shall be the same as those listed in Condition VI.C. In addition to the information required by 40 CFR Part 60, Section 7(c), each report shall include the average water-to-fuel ratio, average fuel consumption, ambient conditions, gas turbine load, and nitrogen content of the fuel during the period of excess emissions. For the purpose of this report, periods of excess emissions are defined as follows:

- a. Any one hour period during which the average water-to-fuel ratio, as measured by the continuous monitoring system, falls below the average water- to-fuel ratio determined to demonstrate compliance with the nitrogen oxide PPMvd limits specified in Condition III.A.10 or 11 during the most recent compliance test.
- b. Any period during which the sulfur content of the distillate oil being fired in the combustion turbines exceeds 0.05 percent by weight.
- c. Any period during which the nitrogen content of the distillate oil being fired in the gas turbines exceeds 0.05 percent by weight.  
(9 VAC 5-80-490 F and Condition 19 of NSR permit issued 10/05/2000)

#### IV. Insignificant Emission Units

The following emission units at the facility are identified in the application as insignificant emission units under 9 VAC 5-80-720:

Emission Unit No.	Emission Unit Description	Pollutant(s) Emitted (9 VAC 5-80-720 B)	Rated Capacity (9 VAC 5-80-720 C)
FP-1	Diesel engine for fire pump		300 HP/hr
LO 1-7	CT lube oil tanks	VOC	Less than 1000 gal each
FPT-1	Fire pump diesel fuel tank	VOC	500 gal
Fugitive-1 (fuel oil)	Fugitives from unloading, processing and handling of distillate fuel oil	VOC	N/A
Fugitive-2 (fuel oil)	Fugitives from small distillate oil storage tanks	VOC	Each less than 500 gal
Fugitive-3 (Oil/water separator)	Fugitives from oil/water separator	VOC	Less than 500 gal

These emission units are presumed to be in compliance with all requirements of the federal Clean Air Act as may apply. Based on this presumption, no monitoring, recordkeeping, or reporting shall be required for these emission units in accordance with 9 VAC 5-80-490 C, E, and F.



## V. Permit Shield & Inapplicable Requirements

Compliance with the provisions of this permit shall be deemed compliance with all applicable requirements in effect as of the permit issuance date as identified in this permit. This permit shield covers only those applicable requirements covered by terms and conditions in this permit and the following requirements which have been specifically identified as being not applicable to this permitted facility:

Citation	Title of Citation	Description of Applicability
40 CFR 64	Compliance Assurance Monitoring	CT 1-7 do not use air pollution control equipment to destroy pollutants.
40 CFR 61	NESHAPS	Source category not listed
40 CFR 63	MACTs	Not a major HAPS source
9 VAC 5 Chapter 80, Article 7 & 9 VAC 5 Chapter 60, Article 3	Major HAPS NSR Permitting	Not a major HAPS source
40 CFR 68	Prevention of Accidental Chemical Releases	Any chemicals on site are below threshold levels.

Nothing in this permit shield shall alter the provisions of §303 of the federal Clean Air Act, including the authority of the administrator under that section, the liability of the owner for any violation of applicable requirements prior to or at the time of permit issuance, or the ability to obtain information by the administrator pursuant to §114 of the federal Clean Air Act, (ii) the Board pursuant to §10.1-1314 or §10.1-1315 of the Virginia Air Pollution Control Law or (iii) the Department pursuant to §10.1-1307.3 of the Virginia Air Pollution Control Law.  
(9 VAC 5-80-500)

## VI. General Conditions

### A. Federal Enforceability

All terms and conditions in this permit are enforceable by the administrator and citizens under the federal Clean Air Act, except those that have been designated as only state-enforceable.  
(9 VAC 5-80-490 N)

### B. Permit Expiration

This permit has a fixed term. Unless a timely and complete renewal application consistent, with 9 VAC 5-80-430, has been submitted, to the Department, by the owner, the right of the facility to operate shall be terminated upon permit expiration

1. The owner shall submit an application for renewal at least six months but no earlier than eighteen months prior to the date of permit expiration.

2. If an applicant submits a timely and complete application for an initial permit or renewal under this section, the failure of the source to have a permit or the operation of the source without a permit shall not be a violation of Article 3, Part II of 9 VAC 5 Chapter 80, until the Board takes final action on the application under 9 VAC 5-80-510.
3. No source shall operate after the time that it is required to submit a timely and complete application under subsections C and D of 9 VAC 5-80-430 for a renewal permit, except in compliance with a permit issued under Article 3, Part II of 9 VAC 5 Chapter 80.
4. If an applicant submits a timely and complete application under section 9 VAC 5-80-430 for a permit renewal, but the Board fails to issue or deny the renewal permit before the end of the term of the previous permit, (i) the previous permit shall not expire until the renewal permit has been issued or denied, and (ii) all the terms and conditions of the previous permit, including any permit shield granted pursuant to 9 VAC 5-80-500, shall remain in effect from the date the application is determined to be complete until the renewal permit is issued or denied.
5. The protection under subsections F 1 and F 5 (ii) of section 9 VAC 5-80-430 shall cease to apply if, subsequent to the completeness determination made pursuant to section 9 VAC 5-80-430 D, the applicant fails to submit, by the deadline specified in writing by the Board, any additional information identified as being needed to process the application.  
(9 VAC 5-80-430 B, C, and F, 9 VAC 5-80-490 D, and 9 VAC 5-80-530 B)

### **C. Recordkeeping and Reporting**

1. All records of monitoring information maintained to demonstrate compliance with the terms and conditions of this permit shall contain, where applicable, the following:
    - a. The date, place as defined in the permit, and time of sampling or measurements.
    - b. The date(s) analyses were performed.
    - c. The company or entity that performed the analyses.
    - d. The analytical techniques or methods used.
    - e. The results of such analyses.
    - f. The operating conditions existing at the time of sampling or measurement.
- (9 VAC 5-80-490 F)

2. Records of all monitoring data and support information shall be retained for at least five years from the date of the monitoring sample, measurement, report, or application. Support information includes all calibration and maintenance records and all original strip-chart recordings for continuous monitoring instrumentation, and copies of all reports required by the permit.  
(9 VAC 5-80-490 F)
3. The permittee shall submit the results of monitoring contained in any applicable requirement to DEQ no later than March 1 and September 1 of each calendar year. This report must be signed by a responsible official, consistent with 9 VAC 5-80-430 G, and shall include:
  - a. The time period included in the report. The time period to be addressed are January 1 to June 30 and July 1 to December 31.
  - b. All deviations from permit requirements. For purposes of this permit, deviations include, but are not limited to:
    - (1) Exceedance of emissions limitations or operational restrictions;
    - (2) Excursions from control device operating parameter requirements, as documented by continuous emission monitoring, periodic monitoring, or compliance assurance monitoring which indicates an exceedance of emission limitations or operational restrictions; or,
    - (3) Failure to meet monitoring, recordkeeping, or reporting requirements contained in this permit.
  - c. If there were no deviations from permit conditions during the time period, the permittee shall include a statement in the report that “no deviations from permit requirements occurred during this semi-annual reporting period.”  
(9 VAC 5-80-490 F)

#### **D. Annual Compliance Certification**

Exclusive of any reporting required to assure compliance with the terms and conditions of this permit or as part of a schedule of compliance contained in this permit, the permittee shall submit to EPA and DEQ no later than **March 1** each calendar year a certification of compliance with all terms and conditions of this permit including emission limitation standards or work practices. The compliance certification shall comply with such additional requirements that may be specified pursuant to §114(a)(3) and §504(b) of the federal Clean Air Act. This certification shall be signed by a responsible official, consistent with 9 VAC 5-80-430 G, and shall include:

1. The time period included in the certification. The time period to be addressed is January 1 to December 31.
2. A description of the means for assessing or monitoring the compliance of the source with its emissions limitations, standards, and work practices.

3. The identification of each term or condition of the permit that is the basis of the certification.
4. Consistent with subsection 9 VAC 5-80-490 E, the method or methods used for determining the compliance status of the source at the time of certification and over the certification period.
5. Whether compliance was continuous or intermittent, and if not continuous, documentation of each incident of non-compliance.
6. The status of compliance with the terms and conditions of this permit for the certification period.
7. Such other facts as the permit may require to determine the compliance status of the source.

One copy of the annual compliance certification shall be sent to EPA at the following address:

Clean Air Act Title V Compliance Certification (3AP00)  
U. S. Environmental Protection Agency, Region III  
1650 Arch Street  
Philadelphia, PA 19103-2029.

(9 VAC 5-80-490 K)

### **E. Permit Deviation Reporting**

The permittee shall notify the Director, Tidewater Regional Office within four daytime business hours, after discovery of any deviations from permit requirements which may cause excess emissions for more than one hour, including those attributable to upset conditions as may be defined in this permit. In addition, within 14 days of the discovery, the permittee shall provide a written statement explaining the problem, any corrective actions or preventative measures taken, and the estimated duration of the permit deviation. Owners subject to the requirements of and 9 VAC 5-50-50 C are not required to provide the written statement prescribed in this paragraph for facilities subject to the monitoring requirements of 9 VAC 5-50-40. The occurrence should also be reported in the next semi-annual compliance monitoring report pursuant to General Condition VI.C.3. of this permit.  
(9 VAC 5-80-490 F)

### **F. Failure/Malfunction Reporting**

In the event that any affected facility or related air pollution control equipment fails or malfunctions in such a manner that may cause excess emissions for more than one hour, the owner shall, as soon as practicable but no later than four daytime business hours after discovery, notify the Director, Tidewater Regional Office by facsimile transmission, telephone, telegraph, or e-mail of such failure or malfunction and shall within two weeks provide a written statement giving all pertinent facts, including the estimated duration of the breakdown. Owners subject to the requirements of 9 VAC 5-50-50 C are not required to provide the written statement prescribed in this paragraph for facilities subject to the monitoring requirements of 9 VAC 5-50-40. When the condition causing the failure or malfunction has been corrected and the equipment is again in operation, the owner shall notify the Director, Tidewater Regional Office.

1. The emission units that have continuous monitors subject to 9 VAC 5-50-50 C are not subject to the two week written notification.
2. The emission units subject to the reporting and the procedure requirements of and the procedures of 9 VAC 5-50-50 C are listed below:  
CT 1-7.
3. Each owner required to install a continuous monitoring system subject to 9 VAC 5-50-410 shall submit a written report of excess emissions to Director, Tidewater Regional Office as required by Condition III.E.4. All reports shall be postmarked by the 30th day following the end of each reporting period and shall include the following information:
  - a. The magnitude of excess emissions computed in accordance with 40 CFR 60.13(h), any conversion factors used, and the date and time of commencement and completion of each period of excess emissions;

- b. Specific identification of each period of excess emissions that occurred during startups, shutdowns, and malfunctions of the source. The nature and cause of any malfunction (if known), the corrective action taken or preventative measures adopted;
  - c. Date and time identifying each period during which the continuous monitoring system was inoperative and the nature of the system repairs or adjustments; and
  - d. When no excess emissions have occurred or the continuous monitoring systems have not been inoperative, repaired or adjusted, such information shall be stated in the report.
4. All emission units not subject to 9 VAC 5-50-50 C must make written reports within two weeks of the malfunction occurrence.  
(9 VAC 5-20-180 C, 9 VAC 5-50-50, and Condition 28 of NSR issued 10/05/2000)

#### **G. Severability**

The terms of this permit are severable. If any condition, requirement or portion of the permit is held invalid or inapplicable under any circumstance, such invalidity or inapplicability shall not affect or impair the remaining conditions, requirements, or portions of the permit.  
(9 VAC 5-80-490 G.1)

#### **H. Duty to Comply**

The permittee shall comply with all terms and conditions of this permit. Any permit noncompliance constitutes a violation of the federal Clean Air Act or the Virginia Air Pollution Control Law or both and is grounds for enforcement action; for permit termination, revocation and reissuance, or modification; or, for denial of a permit renewal application.  
(9 VAC 5-80-490 G.2)

#### **I. Need to Halt or Reduce Activity not a Defense**

It shall not be a defense for a permittee in an enforcement action that it would have been necessary to halt or reduce the permitted activity in order to maintain compliance with the conditions of this permit.  
(9 VAC 5-80-490 G.3)

**J. Permit Action for Cause**

This permit may be modified, revoked, reopened, and reissued, or terminated for cause as specified in 9 VAC 5-80-490 L, 9 VAC 5-80-640 and 9 VAC 5-80-660. The filing of a request by the permittee for a permit modification, revocation and reissuance, or termination, or of a notification of planned changes or anticipated noncompliance does not stay any permit condition.

(9 VAC 5-80-490 G and L and Condition 1 of NSR permit issued 10/05/2000)

**K. Property Rights**

The permit does not convey any property rights of any sort, or any exclusive privilege.  
(9 VAC 5-80-490 G.5)

**L. Duty to Submit Information**

1. The permittee shall furnish to the Board, within a reasonable time, any information that the Board may request in writing to determine whether cause exists for modifying, revoking and reissuing, or terminating the permit or to determine compliance with the permit. Upon request, the permittee shall also furnish to the Board copies of records required to be kept by the permit and, for information claimed to be confidential, the permittee shall furnish such records to the Board along with a claim of confidentiality.

(9 VAC 5-80-490 G.6 and Condition 33 of NSR permit issued 10/05/2000)

2. Any document (including reports) required in a permit condition to be submitted to the Board shall contain a certification by a responsible official that meets the requirements of 9 VAC 5-80-430 G.9 and 9 VAC 5-80-490 K.1.

(9 VAC 5-80-430 G.9 and 9 VAC 5-80-490 K.1)

**M. Duty to Pay Permit Fees**

The owner of any source for which a permit under 9 VAC 5-80-360 through 9 VAC 5-80-705 was issued shall pay permit fees consistent with the requirements of 9 VAC 5-80-310 et seq. The actual emissions covered by the permit program fees for the preceding year shall be calculated by the owner and submitted to the Department by April 15 of each year. The calculations and final amount of emissions are subject to verification and final determination by the Department.

(9 VAC 5-80-490 H)

#### **N. Fugitive Dust Emission Standards**

During the operation of a stationary source or any other building, structure, facility, or installation, no owner or other person shall cause or permit any materials or property to be handled, transported, stored, used, constructed, altered, repaired, or demolished without taking reasonable precautions to prevent particulate matter from becoming airborne. Such reasonable precautions may include, but are not limited to, the following:

1. Use, where possible, of water or chemicals for control of dust in the demolition of existing buildings or structures, construction operations, the grading of roads, or the clearing of land;
2. Application of asphalt, water, or suitable chemicals on dirt roads, materials stockpiles, and other surfaces which may create airborne dust; the paving of roadways and the maintaining of them in a clean condition;
3. Installation and use of hoods, fans, and fabric filters to enclose and vent the handling of dusty material. Adequate containment methods shall be employed during sandblasting or other similar operations;
4. Open equipment for conveying or transporting material likely to create objectionable air pollution when airborne shall be covered or treated in an equally effective manner at all times when in motion; and,
5. The prompt removal of spilled or tracked dirt or other materials from paved streets and of dried sediments resulting from soil erosion.

(9 VAC 5-40-20 E, 9 VAC 5-50-90 and 9 VAC 5-50-50)

#### **O. Startup, Shutdown, and Malfunction**

At all times, including periods of startup, shutdown, soot blowing, and malfunction, owners shall, to the extent practicable, maintain and operate any affected facility including associated air pollution control equipment in a manner consistent with air pollution control practices for minimizing emissions. Determination of whether acceptable operating and maintenance procedures are being used will be based on information available to the Board, which may include, but is not limited to, monitoring results, opacity observations, review of operating and maintenance procedures, and inspection of the source.

(9 VAC 5-40-20 E and 9 VAC 5-50-20 E)



**P. Alternative Operating Scenarios**

Contemporaneously with making a change between reasonably anticipated operating scenarios identified in this permit, the permittee shall record in a log at the permitted facility a record of the scenario under which it is operating. The permit shield described in 9 VAC 5-80-500 shall extend to all terms and conditions under each such operating scenario. The terms and conditions of each such alternative scenario shall meet all applicable requirements including the requirements of 9 VAC 5 Chapter 80, Article 3. (9 VAC 5-80-490 J)

**Q. Inspection and Entry Requirements**

The permittee shall allow DEQ, upon presentation of credentials and other documents as may be required by law, to perform the following:

1. Enter upon the premises where the source is located or emissions-related activity is conducted, or where records must be kept under the terms and conditions of the permit.
2. Have access to and copy, at reasonable times, any records that must be kept under the terms and conditions of the permit.
3. Inspect at reasonable times any facilities, equipment (including monitoring and air pollution control equipment), practices, or operations regulated or required under the permit.
4. Sample or monitor at reasonable times substances or parameters for the purpose of assuring compliance with the permit or applicable requirements.

(9 VAC 5-80-490 K.2 and Condition 27 of NSR permit issued 10/05/2000)

**R. Reopening For Cause**

The permit shall be reopened by the Board if additional federal requirements become applicable to a major source with a remaining permit term of three years or more. Such reopening shall be completed no later than 18 months after promulgation of the applicable requirement. No such reopening is required if the effective date of the requirement is later than the date on which the permit is due to expire, unless the original permit or any of its terms and conditions has been extended pursuant to 9 VAC 5-80-430 F.

1. The permit shall be reopened if the Board or the administrator determines that the permit contains a material mistake or that inaccurate statements were made in establishing the emissions standards or other terms or conditions of the permit.
2. The permit shall be reopened if the administrator or the Board determines that the permit must be revised or revoked to assure compliance with the applicable requirements.
3. The permit shall not be reopened by the Board if additional applicable state requirements become applicable to a major source prior to the expiration date established under 9 VAC 5-80-490 D.

(9 VAC 5-80-490 L)

#### **S. Permit Availability**

Within five days after receipt of the issued permit, the permittee shall maintain the permit on the premises for which the permit has been issued and shall make the permit immediately available to DEQ upon request.

(9 VAC 5-80-510 E and Condition 34 of NSR permit issued 10/05/2000)

#### **T. Transfer of Permits**

1. No person shall transfer a permit from one location to another, unless authorized under 9 VAC 5-80-130, or from one piece of equipment to another.
2. In the case of a transfer of ownership of a stationary source, the new owner shall comply with any current permit issued to the previous owner. The new owner shall notify the Board of the change in ownership within 30 days of the transfer and shall comply with the requirements of 9 VAC 5-80-560.
3. In the case of a name change of a stationary source, the owner shall comply with any current permit issued under the previous source name. The owner shall notify the Board of the change in source name within 30 days of the name change and shall comply with the requirements of 9 VAC 5-80-560.

(9 VAC 5-80-520 and Condition 32 of NSR permit issued 10/05/2000)

#### **U. Malfunction as an Affirmative Defense**

1. A malfunction constitutes an affirmative defense to an action brought for noncompliance with technology-based emission limitations if the requirements of paragraph 2 of this condition are met.
2. The affirmative defense of malfunction shall be demonstrated by the permittee through properly signed, contemporaneous operating logs, or other relevant evidence that show the following:

- a. A malfunction occurred and the permittee can identify the cause or causes of the malfunction.
  - b. The permitted facility was at the time being properly operated.
  - c. During the period of the malfunction the permittee took all reasonable steps to minimize levels of emissions that exceeded the emission standards, or other requirements in the permit.
  - d. The permittee notified the board of the malfunction within two working days following the time when the emission limitations were exceeded due to the malfunction. This notification shall include a description of the malfunction, any steps taken to mitigate emissions, and corrective actions taken. The notification may be delivered either orally or in writing. The notification may be delivered by electronic mail, facsimile transmission, telephone, or any other method that allows the permittee to comply with the deadline. This notification fulfills the requirements of 9 VAC 5-80-490 F 2 b to report promptly deviations from permit requirements. This notification does not release the permittee from the malfunction reporting requirement under 9 VAC 5-20-180 C.
3. In any enforcement proceeding, the permittee seeking to establish the occurrence of a malfunction shall have the burden of proof. The provisions of this section are in addition to any malfunction, emergency or upset provision contained in any requirement applicable to the source.
  4. The provisions of this section are in addition to any malfunction, emergency or upset provision contained in any applicable requirement.  
(9 VAC 5-80-650)

## **V. Permit Revocation or Termination for Cause**

This permit may be modified, revoked, reopened, terminated, or reissued prior to its expiration for cause as specified in 9 VAC 5-80-410 L, 9 VAC 5-80-570, 9 VAC 5-80-580, 9 VAC 5-80-640, and 9 VAC 5-80-660. In addition the permit may be modified, revoked, reopened, terminated, or reissued prior to its expiration for cause for either of the following reasons. The owner knowingly makes material misstatements in the permit application or any amendments thereto, or if the permittee violates, fails, neglects or refuses to comply with the terms or conditions of the permit, any applicable requirements, or the applicable provisions of 9 VAC 5 Chapter 80, Article 3. The Board may suspend, under such conditions and for such period of time as the Board may prescribe any permit for any of the grounds for revocation or termination or for any other violations of these regulations. The filing of a request by the permittee for a permit modification, revocation and reissuance, or termination, or of a notification of planned changes or anticipated noncompliance does not stay any permit condition. (9 VAC 5-80-490 G & L, 9 VAC 5-80-640, 9 VAC 5-80-660, and Condition 26 of NSR permit issued 10/05/2000)

## **W. Duty to Supplement or Correct Application**

Any applicant who fails to submit any relevant facts or who has submitted incorrect information in a permit application shall, upon becoming aware of such failure or incorrect submittal, promptly submit such supplementary facts or corrections. An applicant shall also provide additional information as necessary to address any requirements that become applicable to the source after the date a complete application was filed but prior to release of a draft permit. (9 VAC 5-80-430 E)

## **X. Stratospheric Ozone Protection**

If the permittee handles or emits one or more Class I or II substances subject to a standard promulgated under or established by Title VI (Stratospheric Ozone Protection) of the federal Clean Air Act, the permittee shall comply with all applicable sections of 40 CFR Part 82, Subparts A to F. (40 CFR Part 82, Subparts A-F)

## **Y. Accidental Release Prevention**

If the permittee has more, or will have more than a threshold quantity of a regulated substance in a process, as determined by 40 CFR 68.115, the permittee shall comply with the requirements of 40 CFR Part 68. (40 CFR Part 68)

**Z. Changes to Permits for Emissions Trading**

No permit revision shall be required under any federally approved economic incentives, marketable permits, emissions trading and other similar programs or processes for changes that are provided for in this permit.  
(9 VAC 5-80-490 I)

**AA. Emissions Trading**

Where the trading of emissions increases and decreases within the permitted facility is to occur within the context of this permit and to the extent that the regulations provide for trading such increases and decreases without a case-by-case approval of each emissions trade:

1. All terms and conditions required under 9 VAC 5-80-490, except subsection N, shall be included to determine compliance.
2. The permit shield described in 9 VAC 5-80-500 shall extend to all terms and conditions that allow such increases and decreases in emissions.
3. The owner shall meet all applicable requirements including the requirements of 9 VAC 5-360 through 9 VAC 5-80-700.  
(9 VAC 5-80-490 I)

## VII. TITLE IV PERMIT ALLOWANCES AND REQUIREMENTS

### A. Statutory and Regulatory Authorities

In accordance with the Air Pollution Control Law of Virginia §10.1-1308 and §10.1-1322, the Environmental Protection Agency (EPA) Final Full Approval of the Operating Permits Program (Titles IV and V) published in the Federal Register December 4, 2001, Volume 66, Number 233, Rules and Regulations, Pages 62961-62967 and effective November 30, 2001, and Title 40, the Code of Federal Regulations §§72.1 through 76.16, the Commonwealth of Virginia Department of Environmental Quality issues this permit pursuant to 9 VAC 5 Chapter 80, Article 3 of the Virginia Regulations for the Control and Abatement of Air Pollution (Federal Operating Permit Article 3).  
(9 VAC 5-80-490 B.2)

### B. SO<sub>2</sub> Allowance Allocations and NO<sub>x</sub> Requirements for affected units

		2005	2006	20007	2008	2009
CT 1-7 Each a 43.3 Mwe/hr (at ISO conditions) oil fired simple cycle gas turbine.	SO <sub>2</sub> allowances, allocated by U. S. EPA (tons).  NO <sub>x</sub> limit:	None. <sup>1</sup>  N/A, not subject to 40 CFR 76.	None. <sup>1</sup>  N/A, not subject to 40 CFR 76.	None. <sup>1</sup>  N/A, not subject to 40 CFR 76.	None. <sup>1</sup>  N/A, not subject to 40 CFR 76.	None. <sup>1</sup>  N/A, not subject to 40 CFR 76.

(9 VAC 5-80-490 A.4)

Note 1:

- a. Each unit was not eligible for SO<sub>2</sub> allowance allocation by U.S. EPA under Section 405 of the Clean Air Act and the Acid Rain Program, so none were assigned in 40 CFR Part 73, Table 2.  
(9 VAC 5-80-420 C.6)
- b. SO<sub>2</sub> allowances may be acquired from other sources in addition to those allocated by U.S. EPA. No revision to this permit is necessary in order for the owners and operators of each unit to hold additional allowances recorded in accordance with 40 CFR Part 73. The owners and operators of each unit remain obligated to hold sufficient allowances to account for SO<sub>2</sub> emissions from the unit in accordance with 40 CFR 72.9(c)(1).  
(9 VAC 5-80-420 C.1 and H.1 and 9 VAC 5-80-490 O)

### C. Additional Requirements

The permittee shall submit a complete permit application that includes all of the information required under 40 CFR §§72.21 and 72.31 at least 6 months, but no earlier than 18 months, prior to the date of expiration of the existing Phase II Acid Rain permit. EPA forms shall be used.  
(9 VAC 5-80-430 C.5)

## VIII. NO<sub>x</sub> ALLOWANCE BUDGET TRADING PERMIT REQUIREMENTS

### A. General Conditions

1. A review of the air emission units included in this permit approval has determined that the equipment listed in Table VIII.A-1 meets the definition of a NO<sub>x</sub> Budget Unit and falls subject to the NO<sub>x</sub> Budget emission limitations under 9 VAC 5-140-40. As required by 9 VAC 5-140-200 A, for each NO<sub>x</sub> Budget source required to have a federally enforceable permit, such permit will include the NO<sub>x</sub> Allowance Budget Trading permit to be administered by the permitting authority. This section represents the NO<sub>x</sub> Budget Trading permit.

Table VIII.A – 1 Facility NO <sub>x</sub> Budget Units				
Facility Unit ID	Unit NATS Code	Unit Name and description	Maximum Heat Capacity (MMBtu/hr) at ISO conditions	Maximum Generation Capacity (megawatts) at ISO conditions
CTZ-001	055381	GE LM 6000 Gas Turbine	380	43.3
CTZ-002	055381	GE LM 6000 Gas Turbine	380	43.3
CTZ-003	055381	GE LM 6000 Gas Turbine	380	43.3
CTZ-004	055381	GE LM 6000 Gas Turbine	380	43.3
CTZ-005	055381	GE LM 6000 Gas Turbine	380	43.3
CTZ-006	055381	GE LM 6000 Gas Turbine	380	43.3
CTZ-007	055381	GE LM 6000 Gas Turbine	380	43.3

(9 VAC 5-140-40)

2. The NO<sub>x</sub> Budget Trading permit will be administrated by the VADEQ under the authority of 9 VAC 5-80-360 et seq., Article 3 and 9 VAC 5-140-10 et seq.  
(9 VAC 5-140-200 A)

3. This NO<sub>x</sub> Budget Trading permit will become effective on May 31, 2004.  
(9 VAC 5-140-240.1)

**B. Standard Requirements (NO<sub>x</sub> budget permitted units)**

1. Monitoring requirements.
- a. The owners and operators and, to the extent applicable, the NO<sub>x</sub> authorized account representative of each NO<sub>x</sub> Budget source and each NO<sub>x</sub> Budget unit at the source shall comply with the monitoring requirements of Article 8, 9 VAC 5-140-700 et seq.  
(9 VAC 5-140-60 B.1)
- b. The emissions measurements, recorded and reported in accordance with 9 VAC 5-140-700 et seq. and subpart H of 40 CFR part 97, shall be used to determine compliance by the unit with the NO<sub>x</sub> Budget emissions limitation under paragraphs B.2.a. through B.2.h. The following approved methods will be used to calculate NO<sub>x</sub> Control Period and Annual emission rates:

**Table VIII.B - 1  
NO<sub>x</sub> Mass Emission Rate Monitoring**

UNIT CT 1-7	ITEM MONITORED	MONITORING METHODS (40 CFR 75)
OIL FIRED	NO <sub>x</sub> rate (lb/mm btu) HEAT rate (mm btu/hr)	Appendix E Appendix D
LME ONLY OPTION	NO <sub>x</sub> rate (lb/mm btu)  HEAT rate (mm btu/hr)	Appendix E, or default or unit specific from 40 CFR 75.19 Appendix D, or default or unit specific from 40 CFR 75.19

(9 VAC 5-140-60 B.1 and 9 VAC 5-140-60 B.2)

2. Nitrogen oxides requirements.
- a. The owners and operators of each NO<sub>x</sub> Budget source and each NO<sub>x</sub> Budget unit at the source shall hold NO<sub>x</sub> allowances available for compliance deductions under 9 VAC 5-140-540 A, B, or F, as of the NO<sub>x</sub> allowance transfer deadline, in the unit's compliance account and the source's overdraft account in an amount not less than the total NO<sub>x</sub> emissions for the control period from the unit, as determined in accordance with Article 8, 9 VAC 5-140-700 et seq., plus any amount necessary to account for actual utilization under 9 VAC 5-140-420 E for the control period or to account for excess emissions for a prior control period under 9 VAC 5-140-540 D or to account for withdrawal from the NO<sub>x</sub> Budget Trading Program.  
(9 VAC 5-140-60 C.1)



- b. Each ton of nitrogen oxides emitted in excess of the NO<sub>x</sub> Budget emissions limitation shall constitute a separate violation of this part, the Clean Air Act, and applicable Virginia Air Pollution Control law.  
(9 VAC 5-140-60 C.2)
  - c. A NO<sub>x</sub> Budget unit shall be subject to the requirements under 9 VAC 5-140-60 C.1 starting on May 31, 2004.  
(9 VAC 5-140-60 C.3)
  - d. NO<sub>x</sub> allowances shall be held in, deducted from, or transferred among NO<sub>x</sub> Allowance Tracking System accounts in accordance with Article 5 (9 VAC 5-140-400 et seq.), Article 6 (9 VAC 5-140-500 et seq.), Article 7 (9 VAC 5-140-600 et seq.), and Article 9 (9 VAC 5-140-800 et seq.).  
(9 VAC 5-140-60 C.4)
  - e. A NO<sub>x</sub> allowance shall not be deducted, in order to comply with the requirements under 9 VAC 5-140-60.C.1, for a control period in a year prior to the year for which the NO<sub>x</sub> allowance was allocated.  
(9 VAC 5-140-60 C.5)
  - f. A NO<sub>x</sub> allowance allocated by the permitting authority or the administrator under the NO<sub>x</sub> Budget Trading Program is a limited authorization to emit one ton of nitrogen oxides in accordance with the NO<sub>x</sub> Budget Trading Program. No provision of the NO<sub>x</sub> Budget Trading Program, the NO<sub>x</sub> Budget permit application, the NO<sub>x</sub> Budget permit, an exemption under 9 VAC 5-140-50, or provision of law, shall be construed to limit the authority of the United States or the State to terminate or limit such authorization.  
(9 VAC 5-140-60 C.6)
  - g. A NO<sub>x</sub> allowance allocated by the permitting authority or the administrator under the NO<sub>x</sub> Budget Trading Program does not constitute a property right.  
(9 VAC 5-140-60 C.7)
  - h. Upon recordation by the administrator under Article 6 (9 VAC 5-140-500 et seq.), Article 7 (9 VAC 5-140-600 et seq.), or Article 9 (9 VAC 5-140-800 et seq.), every allocation, transfer, or deduction of a NO<sub>x</sub> allowance to or from a NO<sub>x</sub> Budget unit's compliance account or the overdraft account of the source where the unit is located is deemed to amend automatically, and become a part of, any NO<sub>x</sub> Budget permit of the NO<sub>x</sub> Budget unit by operation of law without any further review.  
(9 VAC 5-140-60 C.8)
3. Excess emissions requirements.
- The owners and operators of a NO<sub>x</sub> Budget unit that has excess emissions in any control period shall:

1. Surrender the NO<sub>x</sub> allowances required for deduction under 9 VAC 5-140-540 D 1; and
2. Pay any fine, penalty, or assessment or comply with any other remedy imposed under 9 VAC 5-140-540 D 3.

**C. Recordkeeping and Reporting Requirements.**

1. Unless otherwise provided, the owners and operators of the NO<sub>x</sub> Budget source and each NO<sub>x</sub> Budget unit at the source shall keep on site at the source each of the following documents for a period of five years from the date the document is created. This period may be extended for cause, at any time prior to the end of five years, in writing by the permitting authority or the administrator.  
(9 VAC 5-140-60 E.1)
  - a. The account certificate of representation for the NO<sub>x</sub> authorized account representative for the source and each NO<sub>x</sub> Budget unit at the source and all documents that demonstrate the truth of the statements in the account certificate of representation, in accordance with 9 VAC 5-140-130; provided that the certificate and documents shall be retained on site at the source beyond such five-year period until such documents are superseded because of the submission of a new account certificate of representation changing the NO<sub>x</sub> authorized account representative.  
(9 VAC 5-140-60 E.2)
  - b. All emissions monitoring information, in accordance with Article 8, 9 VAC 5-140-700 et seq., for three years or other period as specified in Article 8, 9 VAC 5-140-740.  
(9 VAC 5-140-740)
  - c. Copies of all reports, compliance certifications, and other submissions and all records made or required under the NO<sub>x</sub> Budget Trading Program.  
(9 VAC 5-140-60 E.1)
  - d. Copies of all documents used to complete a NO<sub>x</sub> Budget permit application and any other submission under the NO<sub>x</sub> Budget Trading Program or to demonstrate compliance with the requirements of the NO<sub>x</sub> Budget Trading Program.  
(9 VAC 5-140-60 E.1)
2. The NO<sub>x</sub> authorized account representative of a NO<sub>x</sub> Budget source and each NO<sub>x</sub> Budget unit at the source shall submit the reports and compliance certifications required under the NO<sub>x</sub> Budget Trading Program, including those under Article 4 (9 VAC 5-140-300 et seq.) or Article 8 (9 VAC 5-140-700 et seq.).  
(9 VAC 5-140-60 E.1)

#### D. Certification

If testing is conducted in addition to the monitoring specified in this permit, the permittee shall use the following test methods in accordance with procedures approved by the DEQ as follows:

<b>Pollutant or Stack Parameter</b>	<b>Certification Test Method 40 CFR 75</b>
NO <sub>x</sub> Concentration	USEPA Method 20 or 7 E
Opacity	USEPA Method 9
Fuel use / heat flow	40 CFR 75, Appendix D

(9 VAC 5-140-300 to 310)

#### E. Liability

1. Any person who knowingly violates any requirement or prohibition of the NO<sub>x</sub> Budget Trading Program, a NO<sub>x</sub> Budget permit, or an exemption under 9 VAC 5-140-50 shall be subject to enforcement pursuant to applicable State or Federal law.  
(9 VAC 5-140-60 F.1)
2. Any person who knowingly makes a false material statement in any record, submission, or report under the NO<sub>x</sub> Budget Trading Program shall be subject to criminal enforcement pursuant to the applicable State or Federal law.  
(9 VAC 5-140-60 F.2)
3. No permit revision shall excuse any violation of the requirements of the NO<sub>x</sub> Budget Trading Program that occurs prior to the date that the revision takes effect.  
(9 VAC 5-140-60 F.3)
4. Each NO<sub>x</sub> Budget source and each NO<sub>x</sub> Budget unit shall meet the requirements of the NO<sub>x</sub> Budget Trading Program.  
(9 VAC 5-140-60 F.4)

5. Any provision of the NO<sub>x</sub> Budget Trading Program that applies to a NO<sub>x</sub> Budget source or the NO<sub>x</sub> authorized account representative of a NO<sub>x</sub> Budget source shall also apply to the owners and operators of such source and of the NO<sub>x</sub> Budget units at the source.  
(9 VAC 5-140-60 F.5)
6. Any provision of the NO<sub>x</sub> Budget Trading Program that applies to a NO<sub>x</sub> Budget unit or the NO<sub>x</sub> authorized account representative of a NO<sub>x</sub> budget unit shall also apply to the owners and operators of such unit. Except with regard to the requirements applicable to units with a common stack under Article 8 (9 VAC 5-140-700 et seq.), the owners and operators and the NO<sub>x</sub> authorized account representative of one NO<sub>x</sub> Budget unit shall not be liable for any violation by any other NO<sub>x</sub> Budget unit of which they are not owners or operators or the NO<sub>x</sub> authorized account representative and that is located at a source of which they are not owners or operators or the NO<sub>x</sub> authorized account representative.  
(9 VAC 5-140-60 F.6)

**F. Effect on Other Authorities.**

No provision of the NO<sub>x</sub> Budget Trading Program, a NO<sub>x</sub> Budget permit application, a NO<sub>x</sub> Budget permit, or an exemption under 9 VAC 5-140-50 shall be construed as exempting or excluding the owners and operators and, to the extent applicable, the NO<sub>x</sub> authorized account representative of a NO<sub>x</sub> Budget source or NO<sub>x</sub> Budget unit from compliance with any other provision of the applicable, approved State implementation plan, a federally enforceable permit, the Clean Air Act.  
(9 VAC 5-140-60 G)

## IX. STATE-ONLY ENFORCEABLE REQUIREMENTS

The following terms and conditions are not required under the federal Clean Air Act or under any of its applicable federal requirements, and are not subject to the requirements of 9 VAC 5-80-690 concerning review of proposed permits by EPA and draft permits by affected states.

### A. Limitations

Emissions from the operation of the combustion turbines CT 1-7 shall not exceed the limits as specified below:

	(each at 100% of capacity) lb/hr	(combined total) tons/yr
Hazardous Air Pollutants (as VOC)		
Formaldehyde	0.1	0.8
Hazardous Air Pollutants (as PM-10)		
Lead	0.006	0.04
Arsenic	0.005	0.03
Beryllium	0.0001	0.0009
Cadmium	0.002	0.01
Chromium	0.005	0.03
Manganese	0.4	2.3
Mercury	0.0005	0.004
Selenium	0.01	0.07

These emissions are derived from the estimated overall emission contribution from operating limits and emission factors supplied by the permittee. Exceedances of the operating limits shall be considered credible evidence of the exceedance of emission limits. Compliance with these emission limits may be determined as stated in Conditions II and III.A.6.

(Yearly is calculated as the sum of each consecutive 12-month period.)

(Condition 35 of NSR permit issued 10/05/2000)

### B. Recordkeeping

The permittee shall maintain records of all emission data and operating parameters necessary to demonstrate compliance with this permit. The content of and format of such records shall be arranged with the Director, Tidewater Regional Office. These records shall include, but are not limited to:

1. Monthly and annual emissions calculations for all other pollutants listed in Conditions IX.A. based on the usage of DEQ approved emission factors;

2. Listing of DEQ approved emission factors for pollutants listed in Condition IX.A;
3. All records required by this condition shall be kept at the facility and made available for inspection by the DEQ and shall be current for the most recent five years.  
(Condition 36 of NSR permit issued 10/05/2000)

DRAFT & Proposed

August 25, 2004

Mr. Thomas A Larson  
General Manager  
Commonwealth Chesapeake Company, LLC  
3415 White Oak Way  
New Church, VA 23415-2948

Location: Accomack County  
Registration No: 40898  
AFS No: 51-001-00030

Dear Mr. Larson:

Attached is a renewed Federal Operating Permit, Article 3 (Acid Rain Operating Permit) to operate an electrical peaker plant pursuant to 9 VAC 5 Chapter 80 of the Virginia Regulations for the Control and Abatement of Air Pollution.

The permit contains legally enforceable conditions. Failure to comply may result in a Notice of Violation and civil penalty. Please read all permit conditions carefully.

In evaluating the application and arriving at a final decision to issue this permit, the Department deemed the application complete on June 29, 2004, and solicited written public comments by placing a newspaper advertisement in the Eastern Shore News newspaper on Wednesday, August 25, 2004. The thirty-day comment period (provided for in 9 VAC 5-80-670) expired on Friday, September 24, 2004. There were no comments made by EPA, Region III.

This approval to operate does not relieve Commonwealth Chesapeake Company of the responsibility to comply with all other local, state, and federal permit regulations.

Issuance of this permit is a case decision. The Regulations, at 9 VAC 5-170-200, provide that you may request a formal hearing from this case decision by filing a petition with the Board within 30 days after this permit is mailed or delivered to you. Please consult that and other relevant provisions for additional requirements for such requests.

Mr. Thomas Larson  
August 25, 2004

Additionally, as provided by Rule 2A:2 of the Supreme Court of Virginia, you have 30 days from the date you actually received this permit or the date on which it was mailed to you, whichever occurred first, within which to initiate an appeal to court by filing a Notice of Appeal with:

Mr. Robert G. Burnley, Director  
Department of Environmental Quality  
PO Box 10009  
Richmond, Virginia 23240-0009

In the event that you receive this permit by mail, three days are added to the period in which to file an appeal. Please refer to Rule 2A of the Supreme Court of Virginia for additional information including filing dates and the required content of the Notice of Appeal.

If you have any questions concerning this permit, please call Mr. Barry Halcrow at 757-518-2184.

Sincerely,

Harold J. Winer  
Deputy Regional Director

BWH/HJW/CCC Article 3 renewal.doc

Attachment: Permit  
Test Report Format  
Statement of Legal and Factual Basis

cc: Director, OAPP (electronic file submission)  
Manager, Data Analysis (electronic file submission)  
Chief, Air Enforcement Branch (3AP13), U.S. EPA, Region III